

Project Plan for:

City of Oshkosh

TAX INCREMENTAL FINANCE DISTRICT # 17

CITY CENTER REDEVELOPMENT



Department of Community Development

Adopted by:

Plan Commission 8/21/01

Common Council 9/25/01

Joint Review Board Pending

August 2001

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TAX INCREMENTAL DISTRICT #17

PROJECT PLAN

CITY OF OSHKOSH

ADOPTED BY THE PLAN COMMISSION
August 21th, 2001 Public Hearing

ADOPTED BY THE COMMON COUNCIL
Pending September 25th, 2001 Public Hearing

ADOPTED BY THE JOINT REVIEW BOARD
Pending

PREPARED BY:
DEPARTMENT OF COMMUNITY DEVELOPMENT
August 2001

Introduction

Wisconsin's Tax Incremental Financing law provides a mechanism that enables cities and villages to rehabilitate blighted areas, improve business areas, and/or develop industrial sites. The intent is to defray the cost of public improvements in a designated Tax Incremental District (TID) by using tax revenues or increments generated from new development to pay for project improvements in the district.

Under Tax Incremental Financing, the tax increment generated from private investment in a TID is applied entirely to the retirement of debt incurred by the municipality in order to make the area attractive to investment or reinvestment. When the cost of improvements have been recovered and the debt service attributable to the district has been retired, the TID is dissolved and all taxing jurisdictions benefit on the same shared basis as before the creation of the TID. If the TID has been successful, each of the taxing jurisdictions should receive a much larger share of the property taxes from the new development that came about as a direct result of the creation of the TID.

Tax incremental financing laws provide benefits to all taxing entities, city, county, public schools, and technical college, by promoting development of new taxable value which otherwise would not occur. It provides a tool for municipalities to make reasonable levels of investment using local financing sources to meet identified needs and fill legitimate public purpose roles. The law also recognizes that since municipalities do not share the investment risk with other tax entities, they are entitled within a prescribed period of time, to receive all new tax revenues of the TID as the source of paying off all public investment costs. All other taxing entities receive benefits in the future from the increased tax base generated as a result of the city's investment in the TID.

Purpose

The City of Oshkosh is proposing to create Tax Incremental District #17 to help finance improvements associated with rehabilitation of vacant and/or functionally obsolete space in the City Center Mall property as well as in the "public" areas adjacent to the mall that will include the surrounding streets and Fox River. Rehabilitation will take place in approximately 180,000 square feet of mall area and may include structural and façade work. Public improvements may include streetscaping along the adjacent streets to the property, installation of a pedestrian and bike path along the Fox River, and installation of transient docking facilities in the Fox River.

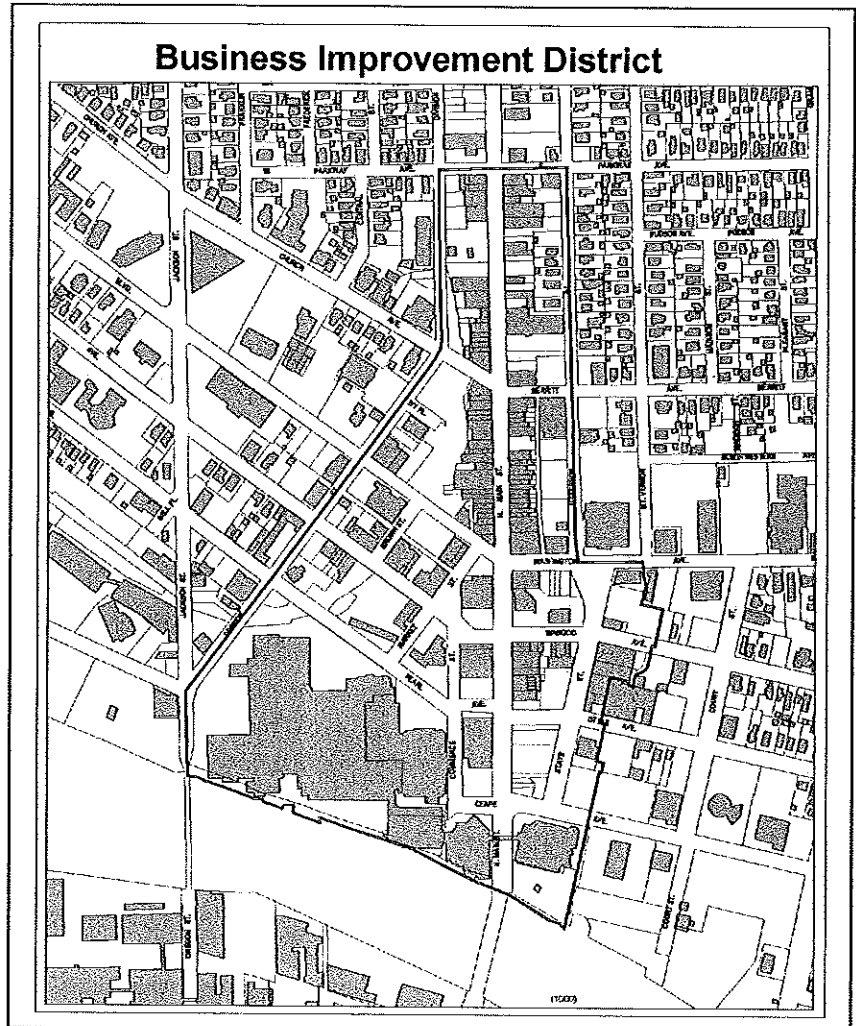
The purpose of this TID is to help stabilize and improve property values within the mall complex as well as the central business district, and help to expand job opportunities downtown. Downtown Oshkosh and its large former regional mall complex have experienced dramatic declines in both value and jobs in recent years similar to that of other older central cities across the nation. Retail employers have been moving out of urban centers at an alarming pace and into peripheral areas adjacent to the nation's highway systems as well as into suburban communities, helping to contribute to the decline of the central city and in the rise of urban sprawl.

The Downtown Oshkosh Business Improvement District (BID) created in 1987, contains the City Center complex (formerly Park Plaza), has seen a 31% decrease in its total assessed value, going from \$33,563,600 in 1987 to \$23,136,700 in 2000. A significant contributor in this decline is due to the diminishing value of the City Center complex itself. In 1987 the mall complex had an assessed value of over \$12 million and high retail occupancy rates. In 2001, the assessed value of the mall complex dropped to \$1,663,200, representing a decrease of over \$10.3 million or about 86%.

The high assessed value of the mall in the 70's and 80's was due to rental income being generated from the business operations leasing space within the mall. These business operations were predominantly retail in nature and leased their space at higher per square foot lease costs than similar sized office type occupancies. In its heyday, retail

space generated high amounts of income for mall ownership due to the fact that retailers had to pay a portion of their monthly sales receipts to mall ownership. When sales are factored into the lease, it results in higher per square foot lease rates paid by retailers. As sales and the amount of retailers in the mall declined, so did the mall's assessed value. Today retail space is leased around \$10 to \$12 per square foot. Class A office space generally is leased at rates less than that of retail space which is reflected in the current lease rates within the mall ranging from \$8 to \$10 per square foot.

Occupancy rates go hand in hand with lease rates when determining the mall's assessed value and the amount of rental income being generated from business operations. When the mall was a large regional draw it had high occupancy rates and numerous retail operations. Most of the mall's 367,587 square feet of leasable space was occupied by over 60 different business operations including the large mall anchors of Prange, Sears, and J.C. Penney. There are approximately 30 business operations occupying approximately 110,000 square feet in the facility, which represents an occupancy rate of about 39%. Unfortunately, this also represents a vacancy rate of approximately 60%, which significantly effects mall rental income and in turn its assessed value for property tax purposes.



Proposal

TID financing will be used to fund a combination of public improvements that will rehabilitate underutilized or functionally obsolete areas of the mall structure itself as well as using TID funds to improve the public areas surrounding the mall complex. It is proposed that projects be undertaken over the 7 year period during which TIF expenditures can be made on a 50/50 split between projects that would qualify under the owners' proposed development plan, with funds provided for targeted physical improvement activities (through construction assistance of materials assistance grants), and other activities as recommended by the Department of Community Development.

The amount of TIF funding that could be provided to support project activities would relate to the actual private property improvements made to the site and valuations added to the property by the City Assessor. Therefore, as the owners of City Center continue to improve the structure and lease out more and more space within the complex, the assessed value should rise allowing more projects to be financed from the increased value. It is safe to assume that the assessed value of the property would not increase on a dollar for dollar basis, per improvements made. However, in looking at the anticipated improvement costs provided by the owners, it should be possible to generate approximately \$2 million in TIF funding, if the improvement activities are undertaken in the manner that has been projected.

Relationship To Local Plans

Implementation of this TID is in keeping with goals and objectives identified in various local planning documents including the City of Oshkosh Comprehensive Plan, adopted in August, 1993, as well as the Downtown Action Plan approved in October, 2000. These planning documents reflect prevailing community attitudes towards how the community would like to see the City develop.

The Comprehensive Plan, a community wide planning document, has recognized a need to "revitalize the central city" and in particular to work with the owners of City Center to "pursue programming aimed at rejuvenating this key commercial property." The Plan recommended that major institutions and their associated employment be retained downtown and that more Class A office space be developed.

In the preparation of the Downtown Action Plan, a partnership was formed between the City of Oshkosh, Oshkosh Community Foundation, and the Oshkosh Chamber of Commerce and Oshkosh Commercial Development Corporation, with representation from local community officials, business leaders, educators, and local citizens. In that effort the need to revitalize the mall complex was a recognized objective. Specifically, as a short term private development initiative, the Plan states that "Park Plaza should be re-energized as a major downtown facility that operates in a way that advances the needs/interests of other commercial activities." The new owners plan on "re-energizing" the complex by rehabilitating and updating the structure to meet current standards relative to modern Class A office space. TID funds will assist in this effort by providing material assistance grants for installing second story windows and façade improvements.

The owners are also planning on incorporating residential uses in the mall in the form of a 5-7 story residential tower that is projected to be constructed in the area over the food court area. Presently, the

owners are targeting an elderly population for the tower to take advantage of the area in the mall that will provide sheltered walking opportunities as well as proximity to other amenities that will be available in a revitalized downtown. Construction of living units meets identified goals of the Comprehensive and Consolidated Plans of adding living units to the downtown area. More people living downtown creates a demand to provide more services to serve that population which in turn results in more job creation and retail and commercial activity. This in turn creates more energy downtown and will help to keep people there after the work day is over. More development should ultimately lead to higher assessed values for rehabilitated and occupied properties and help reverse the trend of declining property values.

The Pedestrian and Bicycle Circulation Plan, which was adopted in 1998, calls for the creation of a looped downtown riverwalk and pathway, which includes City Center river frontage (see excerpt from plan in Appendix B on page 20). The plan designates this segment of the trail as the Fox River Trail and it will connect with the WIOUWASH trail just across Jackson Street to the northwest. The plan states that as redevelopment opportunities occur the City should negotiate with landowners and developers to install segments of the pathway and where feasible to locate the pathway adjacent to the river. The owners of City Center have expressed a willingness to work with the City in development of the trail along the river. Creation of this TID will allow for development of this segment of the Fox River trail and financing of the improvements through the increased increment value of improvements made to City Center. Additionally, installation of a tunnel underneath Jackson Street would improve the efficiency and safety of trail users by not having them cross a main City arterial street.

Another planning document that relates to the creation of this TID is the City's 2000-2004 Consolidated Plan. Because Oshkosh is an entitlement community under the Community Development Act of 1974, the City receives an annual block grant allocation as part of the Community Development Block Grant (CDBG) program. To utilize these funds, each entitlement community must prepare a Consolidated Plan that identifies various community development and housing related needs and to identify ways to meet those needs, not the least of which is using CDBG funds. The main objective of the block grant program is to benefit persons of low to moderate income and the rules of the program identify eligible uses of these funds to meet the objective. One eligible activity is the creation of employment opportunities for low to moderate income persons. While it is not anticipated that any block grant funds will be needed to implement this project plan so the related block grant regulations need not be met, in all likelihood jobs that are retained and created will benefit low to moderate income persons and thus meet the objective of the Consolidated Plan as well as the Community Development Act.

Implementation of this TID is in keeping with the aforementioned planning documents that have been adopted by the community through various administrative meetings and public hearings.

Boundaries/Property Identification

A part of Fletcher's Subdivision of Block 6 and 50, and White Wright & Jenkins Subdivision, Leach's Map, Block 6, vacated Brown Street, vacated Market Street and vacated Marion Road all in the First Ward, City of Oshkosh, Winnebago County, Wisconsin described as follows:

Commencing at the intersection of the southwesterly line of Pearl Avenue with the westerly

line of Commerce Street, thence S. 00°24'46" W., 60.83 feet along the westerly line of Commerce Street; thence N. 89°35'00" W., 188.26 feet; thence S. 00°25'00" W., 301.47 feet; thence S. 89°35'00" E., 188.28 feet to the westerly line of Commerce Street; thence S. 00°24'46" W. along the westerly line of Commerce Street to the south line of Ceape Avenue also being a point on northerly line of Lot 3, Certified Survey Map No. 1197 of Winnebago County Records; thence 89°25'39" W., 10 feet along the northerly line of said Lot 3; thence S. 00°26'46" W., 69.17 feet along the westerly line of said Lot 3; thence S. 06°56'46" W. to the northerly shoreline of the Fox River along the westerly line of said Lot 3; thence northwesterly along the northerly shoreline of the Fox River to the east line of Jackson Street; thence north along the east line of Jackson Street to the intersection with the southeasterly line of Division Street; thence northeasterly along the southeasterly line of Division Street to the southwesterly line of Pearl Avenue; thence southeasterly along the southwesterly line of Pearl Avenue to the westerly line of Commerce Street also being the point of beginning.

Area within the TID is estimated at 15.854 acres (690,621 square feet). Boundaries of TID #17, and real property determined to be blighted, underutilized, or in need of rehabilitation are identified in Map 1.

Name Of The District

The name of the TID shall be City of Oshkosh Tax Incremental District #17 (TID #17) – City Center Redevelopment Project.

Creation Date

The date of creation for the capture of all new taxable value created within TID #17 shall be January 1, 2001. The value established as of this date shall be used as the base in computing any increments that will accrue in the tax base for the district.

Proposed Project Costs And Improvements

TIF financing will be used to support improvements to the mall structure itself and the public areas adjacent to the structure. The new owners of the complex believe that TIF support will provide for an accelerated and an intensified level of improvement activity, and to introduce new uses that would contribute to the long term viability of the complex. Key activities that the owners would like to pursue include:

- Expanding the retail "Shops" area. Presently there are 8 retail type operations located on the northeast corner of the Center (on the southwest corner of Pearl Avenue and Commerce Street). The new owners would like to provide for an expansion of the retail area into a portion of the old J.C. Penney Store.
- Installing a mix of permanent and transient docking/boat slip facilities along the Fox River.
- Upgrade the physical appearance of the property, internally and externally by orienting itself to the outside. This would include installing windows to the first and second floor office locations wherever possible.

- Introducing residential uses to the complex with the construction of a residential tower in the area of the old food court.
- Removal of the easterly entrance ramp to the parking deck which would serve to make the riverfront area on the backside of the facility more visible to Main Street. This also serves to open this area for riverside type development that may include additional retail and residential uses.
- Creation of additional surface parking in the area north of the former Sears store that would encompass the area over which the Wisconsin Central Railroads tracks had previously run. Development of more surface parking in that area should serve to enhance the utilization of the former Sears store space.
- Other improvement activities that would serve to intensify the utilization and occupancy of the property, and which would contribute to visible aesthetic improvements throughout the complex.

Assistance to the owners would come in the form of construction assistance grants as a means of facilitating the development of the aforementioned improvements. These improvements should continue to add assessed value to the complex which can then continue to finance additional improvements.

It is proposed that the TIF dollars be primarily used for improvement activities associated with the expansion of the retail area, improvements to the structure that open it up to the outside through the installation of windows, replacement of decorative lighting fixtures on the exterior, and landscaping or other aesthetic improvements in key locations.

After conducting an evaluation of the overall site and the public right of way areas adjoining the property, the Department of Community Development is recommending that the following activities be implemented:

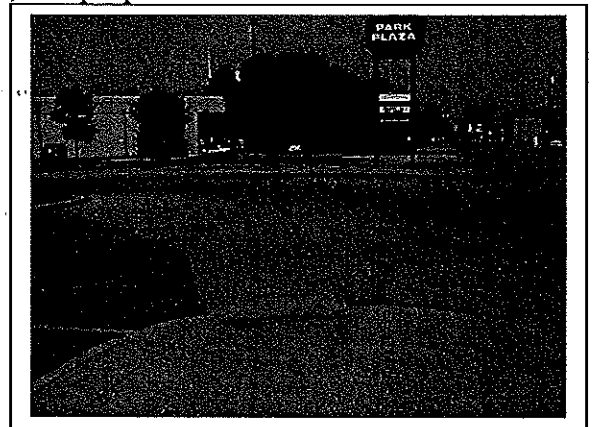
- **River Promenade:** A public walkway/promenade is proposed to be developed along the Fox River that would extend from Jackson Street on the west to the Park Plaza Hotel property on the east. This project would entail removal of the existing concrete walk located along a portion of the property abutting the river, as well as the removal of large tiered concrete structures situated in the area outside the old food court.



The existing concrete walk is not wide enough to effectively serve as a promenade, and this would be especially true given the proposal for the installation of docking/boat slips. A portion of the walkway/promenade would need to be constructed for a short distance on a boardwalk attached to pilings in the river, where the building would be located too close to the river to permit a land side walk to be developed.

- **Pearl Avenue Streetscaping/N. Main Connections:** It is proposed that a new decorative public sidewalk be installed along Pearl Avenue, together with the installation of decorative lights and street trees, and decorative signage. The type of improvements should be similar to those that are proposed to be installed along N. Main Street. This project could also include a portion of Division and Jackson Streets that are adjacent to the City Center Property.

When streetscaping improvements are undertaken, it is proposed that the owners make adjustments to the internal driveway/parking area located off Pearl Avenue to the east of the entryway to the parking ramp. The driveway opening is excessively wide in this area, and it would appear a functional as well as more aesthetically pleasing driveway configuration could be achieved.



- **Jackson Street Pedestrian/Bicycle Tunnel:** The City's Pedestrian and Bicycle Circulation Plan is calling for implementation of a looped downtown riverfront trail. The implementation of such a trail would involve development of walkways/promenades on a segment by segment basis as areas along the river undergo redevelopment and/or improvement efforts such as will be occurring with the City Center Project and Marion Road/Pearl Avenue Redevelopment Project. This project would entail the installation of a tunnel type facility that would be located between the bridge and Marion Road. Such a facility would provide for a more user friendly looped riverfront trail system.

While it is proposed TIF dollars be allocated to this activity, the City should look into the possibility of leveraging grants through various State or Federal grant programs to assist with the project. Also, if this project activity were included in the TIF Plan, the City would be able to undertake preliminary planning and engineering analysis to determine the feasibility of constructing the tunnel in that location.

It is anticipated that project costs will be undertaken during the entire 7 year timeframe over which costs may be incurred under current TIF regulations. This is because this TIF and related development agreement will be set up in such a way as to finance future improvements based on previous development occurring within the TID. Therefore, after the owners make an initial investment, tax increments will be derived from which further improvements can be financed. This will continue to occur as the owners continue to make improvements. Tax increments may be received until project costs are recovered, but for no longer than sixteen years after the last expenditure is made. The maximum life of the TID is twenty-three years, or sixteen years after the last expenditure.

Proposed improvements are shown on attached Map 2 in Appendix A.

Detailed cost estimates and potential phasing of the project is presented in Table I below.

**Table I
Detailed Estimate of Project Costs and Estimated Timing of Improvements**

Activity	Cost	Timing
Owners Key Element Projects		
Building Rehabilitation -build out of approximately 180,000 square feet within the structure and exterior softening of the former Sears area with the addition of second story windows and façade replacement of the auto center wing. Estimated rehabilitation cost is \$35 per square foot.	\$6,300,000	2001-2002
Parking Lot Construction – create surface parking at the northwest corner of the property.	\$75,000	2001-2002
Retail Construction – demolish east side second story ramp and new entrance to riverside of structure. Rehabilitate and/or construct new retail space on riverside of structure to include a new restaurant. Approximately 14,000 square feet at \$95 per square foot.	1,330,000	2003-2004
Residential Tower – Construction of 5-7 story residential tower near the food court area. Approximately 30,000 square feet at \$95 per square foot.	\$2,850,000	2005-2006
Docking Facilities – construction of docking facilities to accommodate approximately 35 boats to include a mix of permanent and transient slips.	\$125,000	2001-2002
Total Owners' Key Element Projects	\$10,680,000	
Key City Elements		
Pedestrian/Bike Tunnel – Construct a pedestrian and bike tunnel underneath Jackson Street.	\$325,000	2002-2008
River Promenade - Construct a pedestrian and bicycle trail along Fox River frontage from Jackson Street to Main Street. Will include boardwalk type facilities where path is currently too narrow between river's edge and main structure.	\$200,000	2002-2008
Streetscaping – Install streetscaping improvements along Jackson Street, Division Street and Pearl Avenue.	\$250,000	2002-2008
Administrative Costs – Costs associated with planning or engineering work associated with implementing project activities.	50,000	2001-2008
Total Key City Elements Costs	\$700,000	
Total Estimated Costs	11,505,000	

Administrative related costs include city personnel, consultant services, and supplies and materials used in

conjunction with planning and implementation of this project plan. Costs related to “preplanning” of this TID and paid for from the general city accounts and department budgets are eligible for reimbursement through TID increments per Wisconsin Statute Section 66.46 (2)(f).

It should be noted that the costs listed above are total estimated costs and not the full amount for which TIF funds will likely finance improvements especially with regard to the key elements that the owners would like implemented. TID financing for these projects will be limited to assistance based on actual increment value created. For example, the owners are anticipating that it will cost approximately \$6.3 million to rehabilitate approximately 180,000 square feet of building area to accommodate new commercial office space. This should generate close to \$1.8 million in rental income with an average lease rate of \$10 per square foot. This will add to the total assessed value of the mall and this increment then can be used to assist in financing other projects on both the owners key element list and the City’s key element list. The actual amount of TID financing is then related to actual development value rather than anticipated development value.

Method of Financing

The project costs, including financing, are the estimated amount of tax increment revenues to be requested under the provisions of Section 66.46 Wisconsin Statutes, Tax Increment Law.

The method of financing project costs is expected to be through loans from the State Trust Fund or any other method of financing approved by the City of Oshkosh Common Council. Project expenditures will be recovered through tax increments. If tax increments are not sufficient to cover debt service payments, a debt service guarantee will be provided from the developer to cover any shortfalls as that relates to the developer’s initial TIF eligible project expenses. As stated earlier in this document, the financing from the actual value increment will be split on a 50/50 basis with 50% going to support key owner projects and the other 50% supporting key City projects. The City will also continue to seek additional grant funds to implement the trail sections of this project.

Master Plan, Zoning, Building And Other Code Considerations

The project elements proposed in the Project Plan conform to the objectives and conceptual recommendations contained in the City's 1993 Comprehensive Plan, 1998 Pedestrian and Bicycle Circulation Plan, 2000 Downtown Action Plan, and the 2000 Consolidated Plan as approved by the Plan Commission and/or City Council. Existing land uses in the TID are shown on Map 3, and proposed land uses are shown on Map 4.

No changes in the City’s Official Map, Zoning Ordinance, Building Codes or any other City Ordinances appear to be necessary to implement the Project Plan. The existing zoning of the TID is shown on Map 5, and the proposed zoning is illustrated on Map 6.

Estimated Non-Project Costs

There are no estimated non-project costs associated with implementing this project plan.

Promotion of Orderly Development

Implementation of this Project Plan promotes orderly development by helping to revitalize a major development in the City's central business district that in turn will help to stabilize property values in the City's urban center. Development is orderly because any public financing that will assist redevelopment efforts in and around the district will proceed only after careful development agreements have been negotiated between the City and the owners specifying the types of activities that must take place and each others' responsibilities prior to proceeding with project plan implementation.

As has been shown earlier in this document, property values of both the central business district and the City Center Complex have seen dramatic declines in assessed value in recent years. Much of this decline is due to the fact that many businesses, commercial and retail, have relocated to other areas of the City or to other communities. The 367,000 square foot City Center complex is less than 50% occupied. It has undergone a transformation in usage, changing from a predominantly regional retail center in the 70's and 80's to predominantly office activity today. The mall structure was not constructed to meet present day office use standards and therefore requires substantial rehabilitation before Class A office space is created. The mall was built as a retail activity center with activity being internalized to the structure with little consideration given to exterior aesthetic enhancements to the structure nor did it fully take advantage of its presence on the Fox River.

Involvement of TID in this project represents a partnership between the City, a local developer, and other taxing jurisdictions, and shows the City's commitment to continued redevelopment of the downtown and Fox River corridor. TID also necessitates good planning through the public hearing process, reviews by the Plan Commission, Common Council, and Joint Review Board as well as the project plan being drafted and developed by the City's Department of Community Development.

Economic Feasibility

Economic feasibility of this TID is based on City Center Associates initial rehabilitation efforts to create and lease additional office space within the structure to raise the property's assessed value enough over the base value to create a high enough level of tax increment to finance future projects. The estimated value of the anticipated new development is approximately \$10.6 million which would generate a tax increment of roughly \$9,106,800 at full equalized development value. The estimated base value of the amendment area will be \$1,573,200.

Individual cost components associated with implementing this Project Plan will necessitate subsequent approval by the Common Council. The method of financing and individual debt issues will also require Common Council approval. It is the City's intent to closely monitor all planned and actual development within the District. The City will not proceed with any public financial contribution or with public improvements until such time as there is sufficient cause to expect that adequate development required to produce the necessary property values will occur.

Relocation

No displacement and relocation of persons or businesses is needed or will be undertaken in this project area. If relocation of individuals or businesses were required, it would be carried out in accordance with applicable relocation requirements set forth by the State of Wisconsin and Federal regulations.

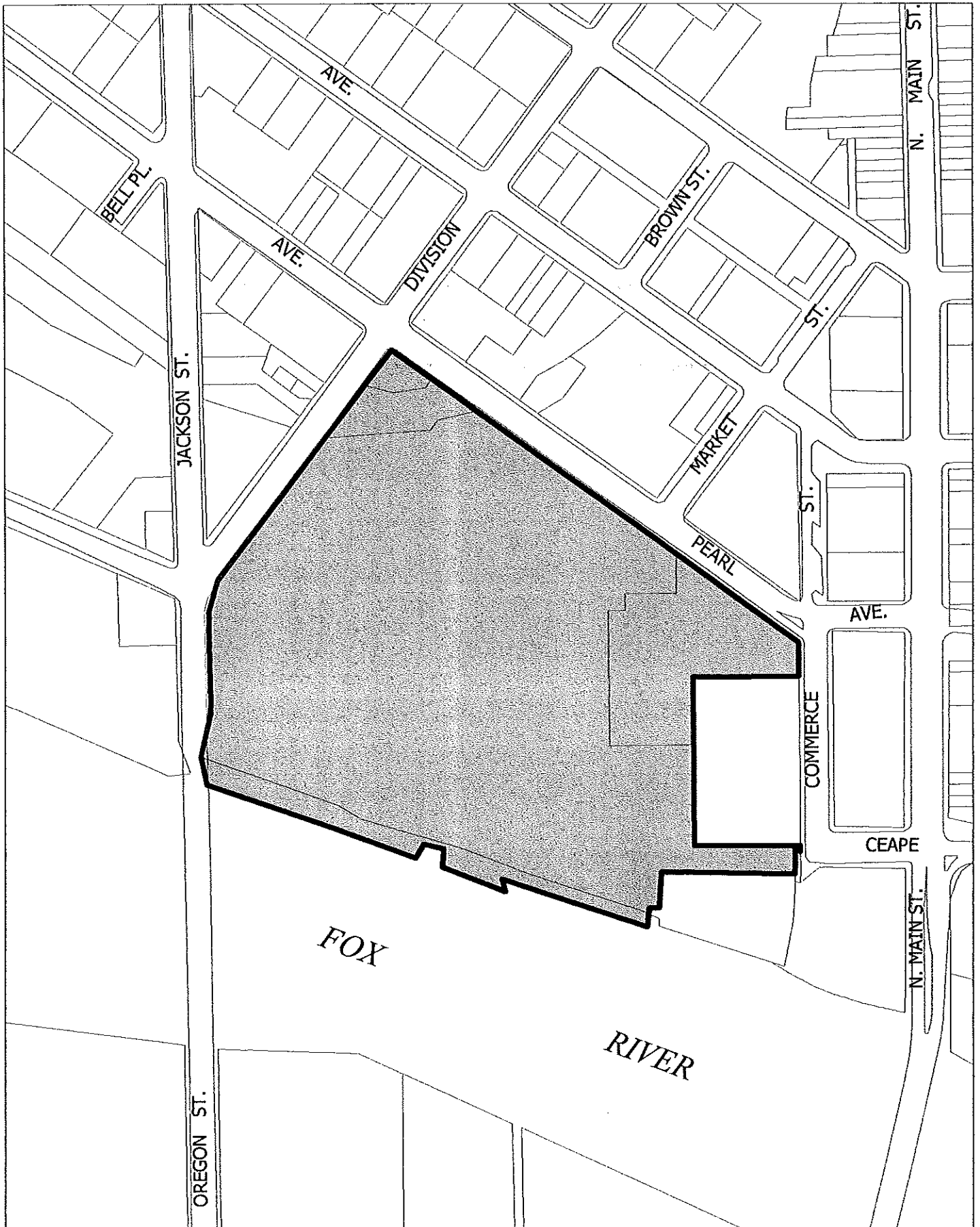
Findings

- More than 50 percent of the real property within the TID is blighted, in need of rehabilitation, or conservation within the meaning of Section 66.1333 (2m)(b) Wis. Stats..
- Redevelopment within the TID will have a significant positive impact on the value of all real property in the District and assist in stabilizing property values of City Center and central business district;
- Implementation of this Project Plan is consistent with the City's 1993 Comprehensive Plan and its associated amendments and additions;
- Project costs associated with implementing this project plan are consistent with the purpose for which the District was created;
- The equalized value of taxable property of the district plus all existing districts does not exceed 7% of the total equalized value of taxable property within the city.

For January 1, 2001 equalized values, the base value of TID #17 is estimated at \$1,573,200. The equalized value of taxable property in TID #17 plus all existing districts does not exceed 7 percent of the total equalized value of taxable property within the City of Oshkosh. January 1, 2001 equalized value of all existing TID's including the estimated value of proposed TID #17 is \$162,693,600 or 6.34 percent of the estimated \$2,566,679,800 total equalized value of the City at the time of TID #17's creation.

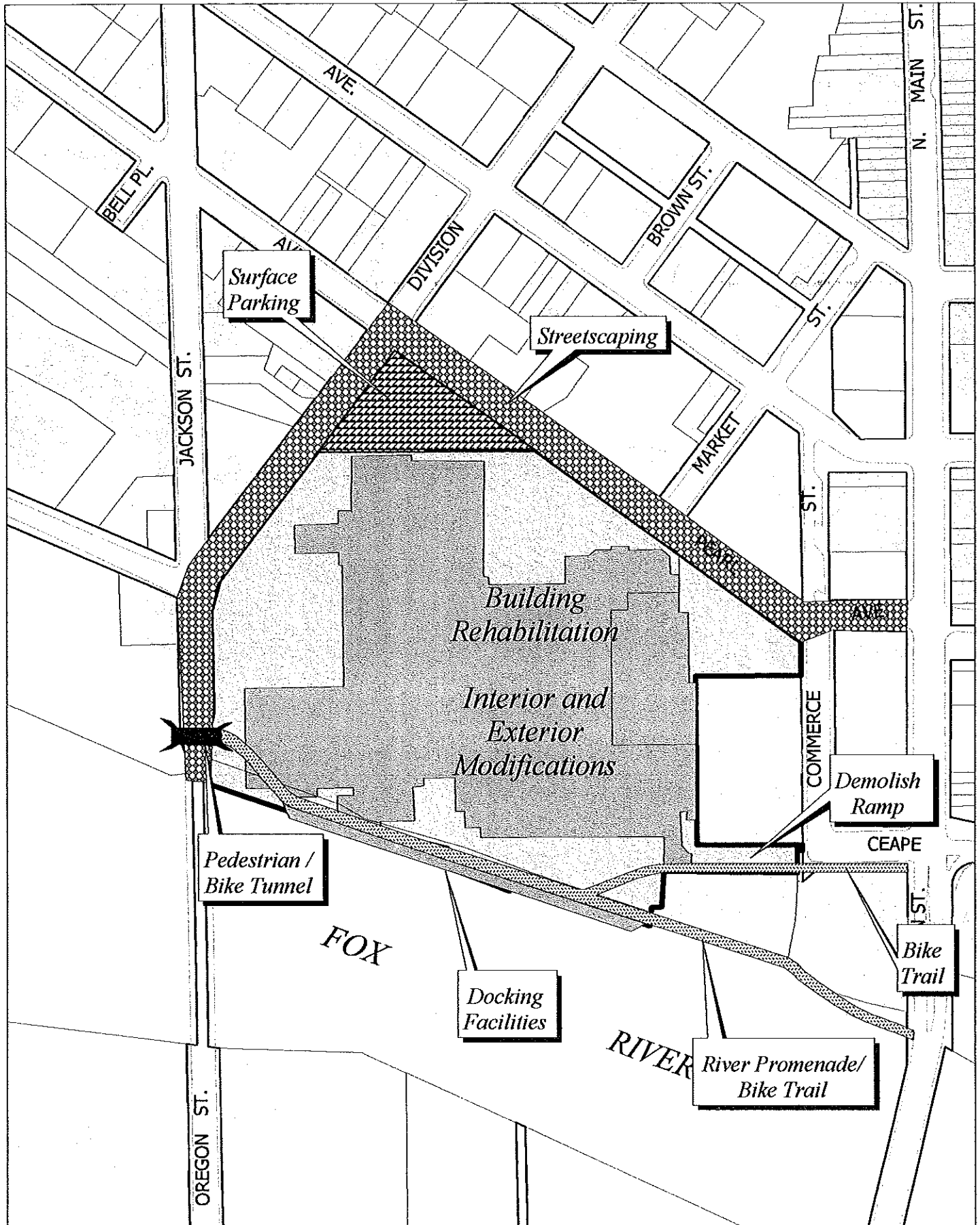
Appendix A – TID Maps

TID #17 Boundaries

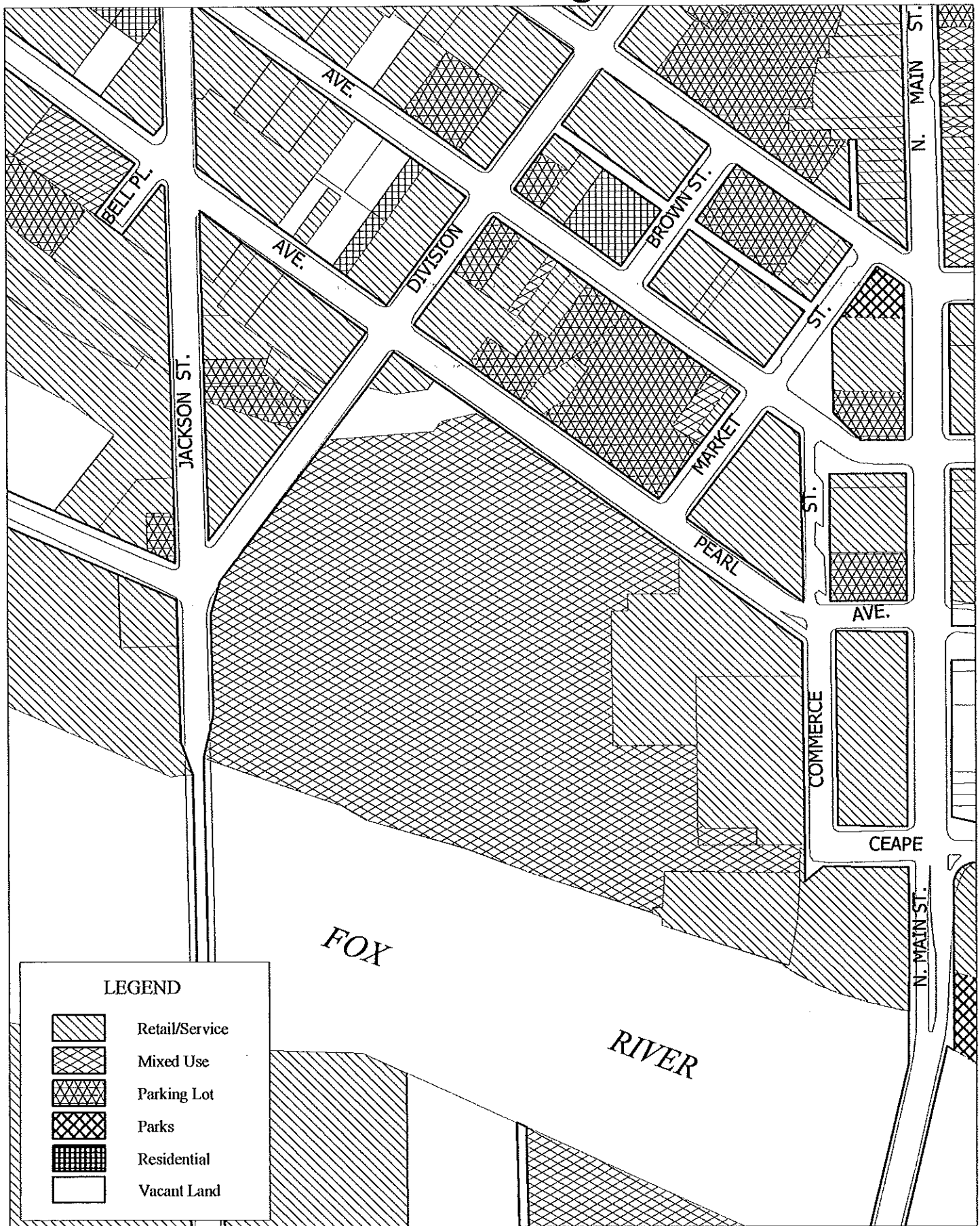


TID #17

Proposed Improvements



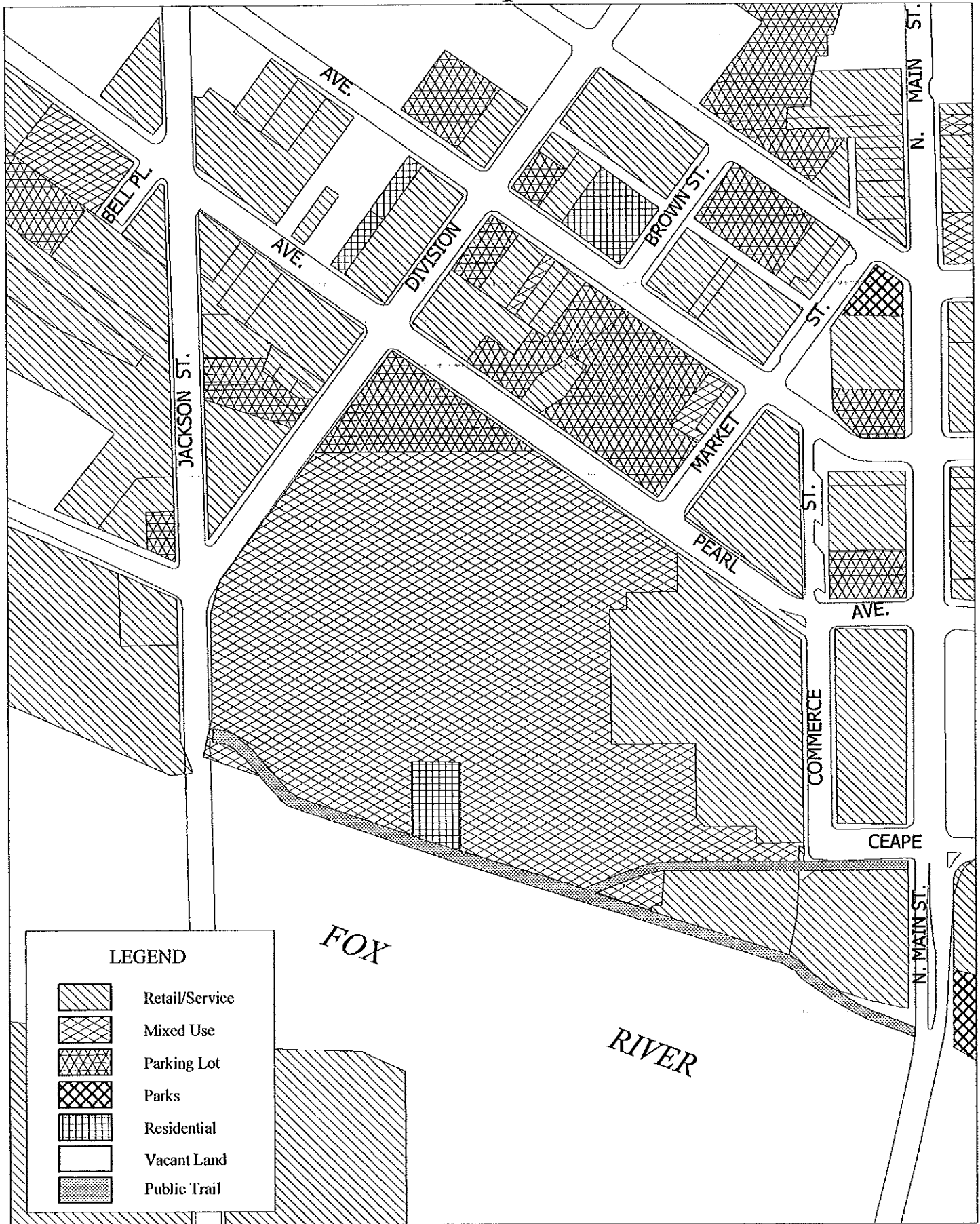
Map 3 TID #17 Existing Land Use



LEGEND	
	Retail/Service
	Mixed Use
	Parking Lot
	Parks
	Residential
	Vacant Land

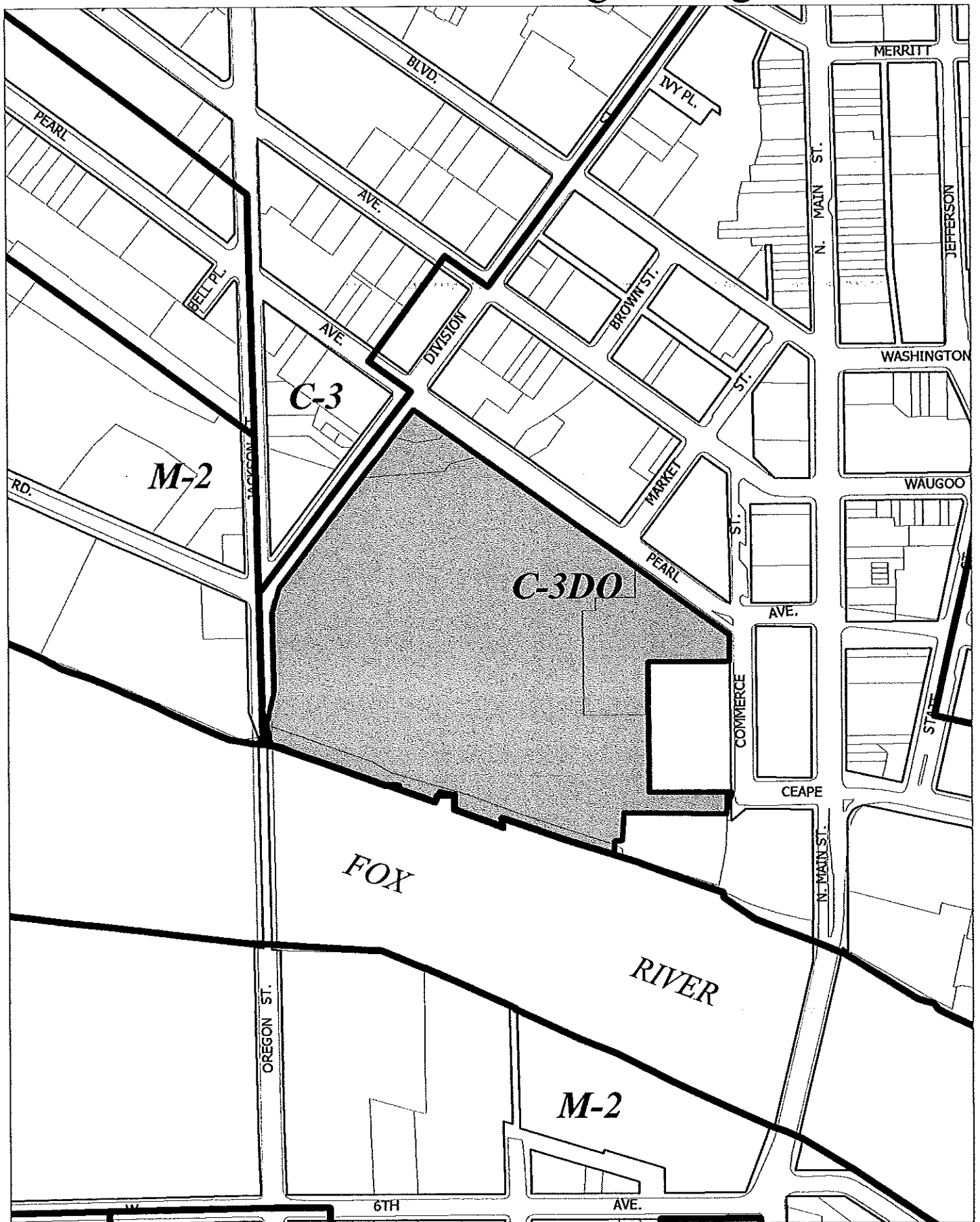
TID #17

Proposed Land Use



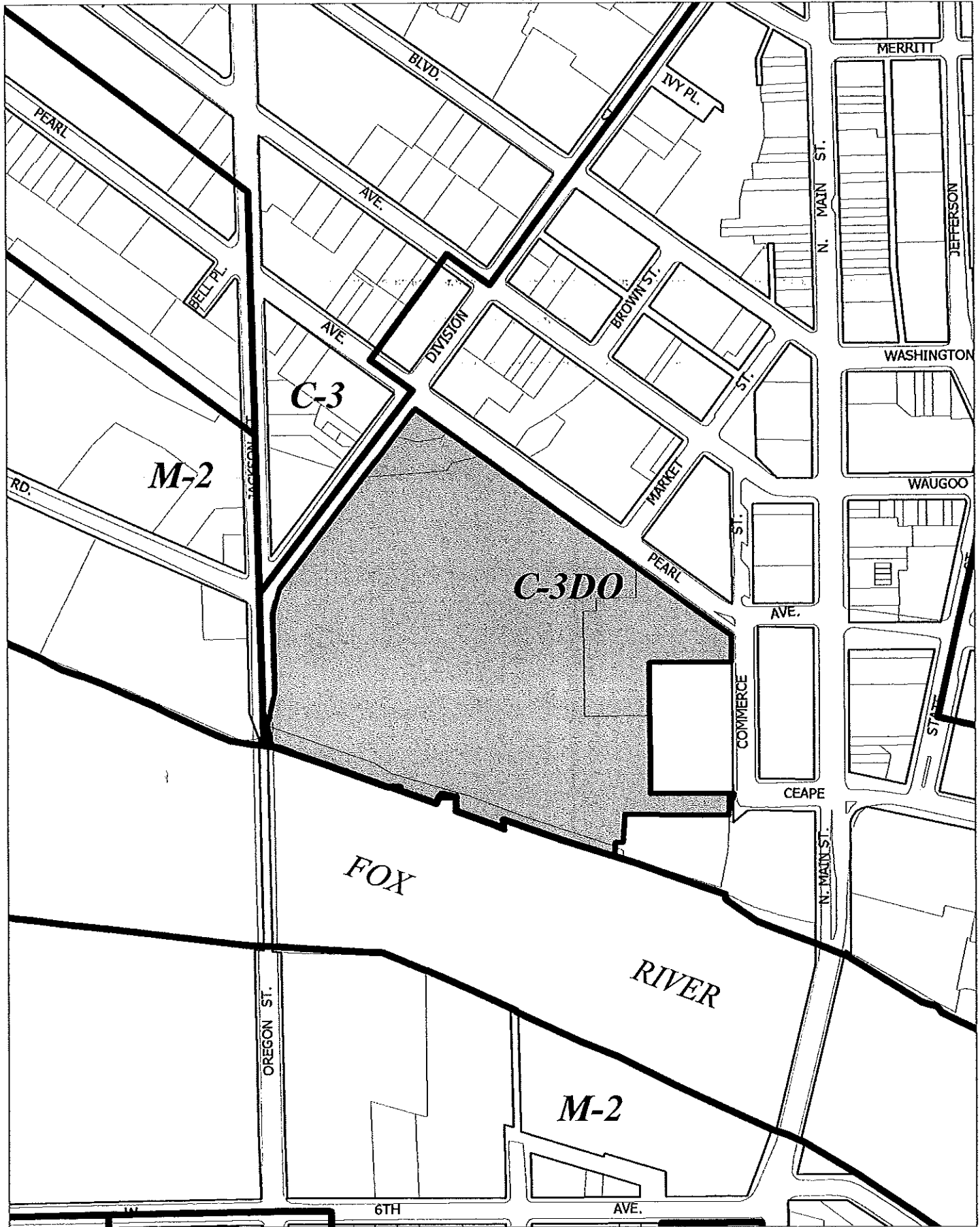
TID #17

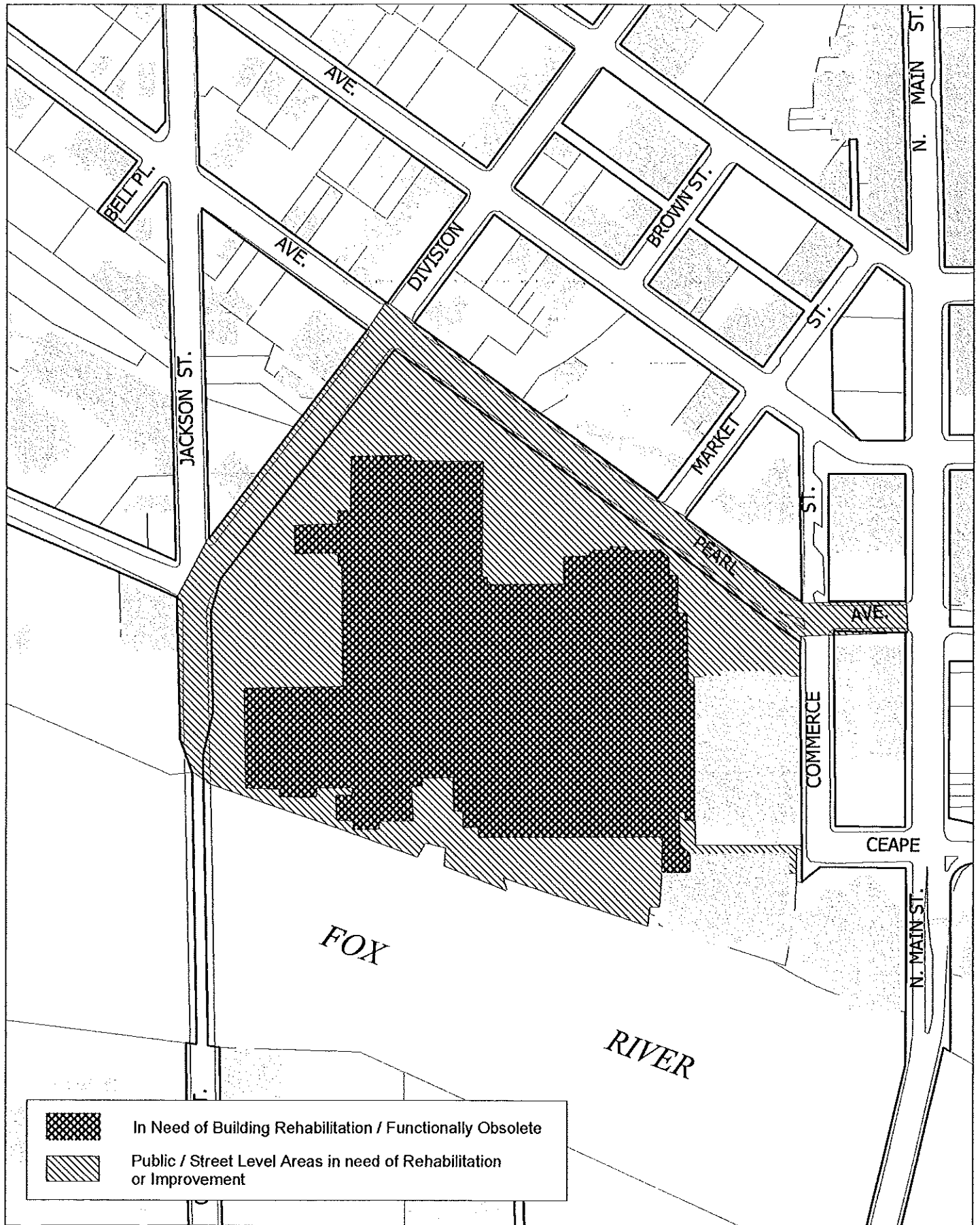
Map 5 Existing Zoning





(08/2001)

TID #17 Map 6
Proposed Zoning





	In Need of Building Rehabilitation / Functionally Obsolete
	Public / Street Level Areas in need of Rehabilitation or Improvement

Appendix B

Excerpt from 1998 Pedestrian and Bicycle Circulation Plan

5.C. LOOPED DOWNTOWN RIVERWALK AND PATHWAY

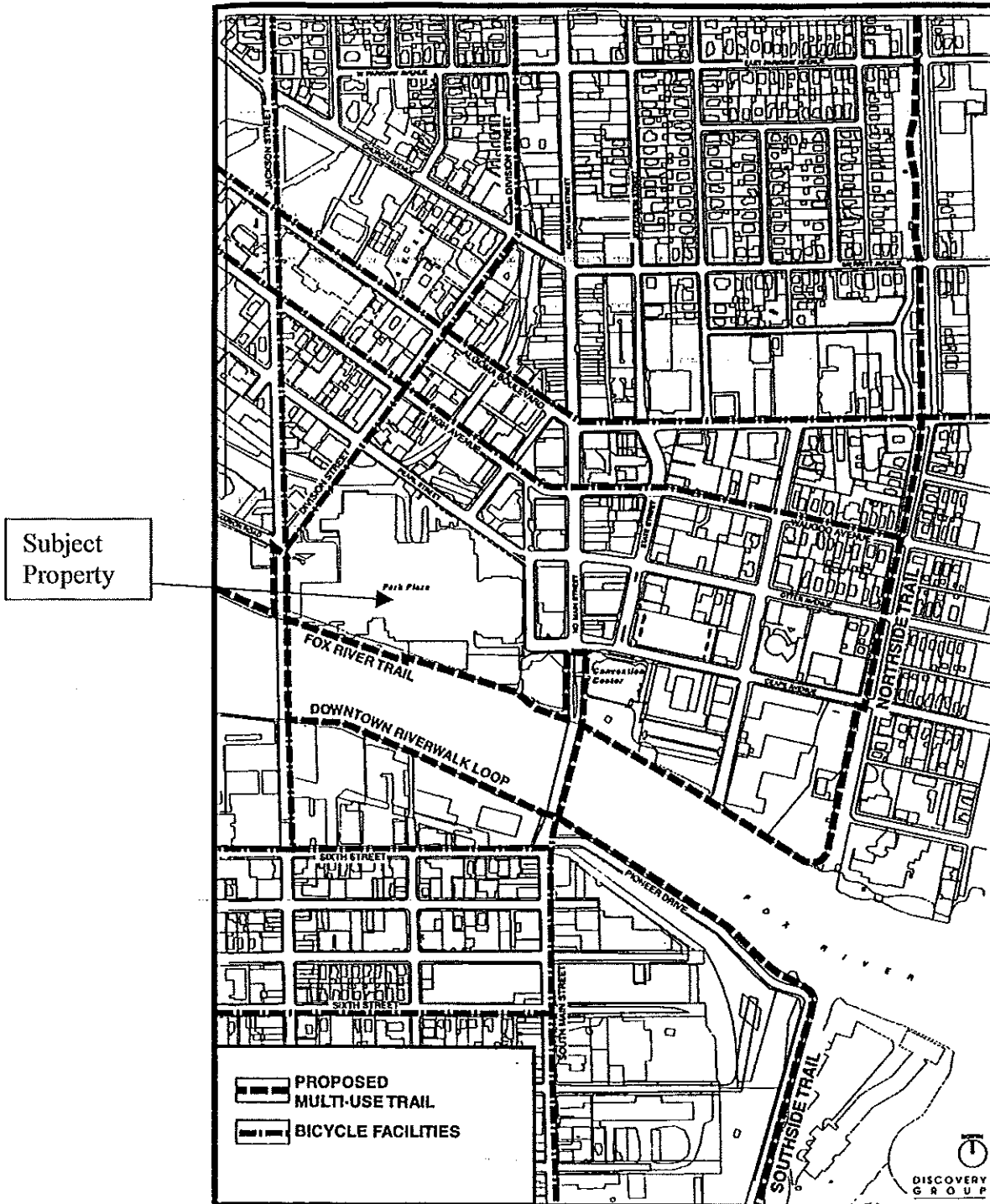
Sections of the Fox River Trail between the Wisconsin Street Bridge and Riverside Park are planned to form part of a downtown looped riverwalk system. The initial phases of the riverwalk were installed adjacent to the Hilton Hotel and Convention Center in the 1980's. Ultimately, the looped trail and pathway system is planned to provide a continuous urban pathway loop connecting both sides of the Fox River.

The sections of the trail and pathway composing the riverwalk system are planned for construction as properties along the riverfront are redeveloped. With each riverfront development, the City should negotiate with landowners and developers to install segments of the riverwalk pathway. Where feasible, the pathway should be located adjacent to the river; however, it is recognized that in some areas the pathways may need to be located inland to accommodate either existing or proposed development.

The looped pathway system is intended to be "urban" in flavor and character and in some instances may be located within a commercial or residential environment versus a park-setting. One of the most well-known walkway systems of this type is the San Antonio, Texas riverwalk system.

As use of this type of system increases it is often necessary to separate the sections of the trail used by bicyclists and in-line skaters from the strictly pedestrian sections. In the more densely developed commercial areas, it is anticipated that some separation may need to be incorporated into the design. In the less densely developed areas, the pathways could be mixed-use.

Looped Downtown Riverwalk and Pathway



APPENDIX C

**NOTICE OF PUBLIC HEARING
BEFORE THE CITY OF OSHKOSH PLAN COMMISSION**

TUESDAY, AUGUST 21, 2001

4:00 PM, Room 404

City Hall, Oshkosh, WI

The Plan Commission will hear public comments on the designation of a Tax Incremental Financing District. The Project Plan for the proposed district will also be considered at the public hearing. Interested persons are encouraged to attend. The draft Project Plan will be available for review on or about August 15, 2001. For information, call the City of Oshkosh Planning Services Division at 920-236-5055 between 8 am – 4:30 pm, Monday thru Friday.

The district shall be named: Tax Incremental Financing District #17 City Center Redevelopment Project.

The general location of the proposed TID is: South of Pearl Avenue, east of Division Street, west of Commerce Street, and north of the Fox River.

A part of Fletcher's Subdivision of Block 6 and 50, and White Wright & Jenkins Subdivision, Leach's Map, Block 6, vacated Brown Street, vacated Market Street and vacated Marion Road all in the First Ward, City of Oshkosh, Winnebago County, Wisconsin described as follows:

Commencing at the intersection of the southwesterly line of Pearl Avenue with the westerly line of Commerce Street, thence S. 00°24'46" W., 60.83 feet along the westerly line of Commerce Street; thence N. 89°35'00" W., 188.26 feet; thence S. 00°25'00" W., 301.47 feet; thence S. 89°35'00" E., 188.28 feet to the westerly line of Commerce Street; thence S. 00°24'46" W. along the westerly line of Commerce Street to the south line of Ceape Avenue also being a point on northerly line of Lot 3, Certified Survey Map No. 1197 of Winnebago County Records; thence 89°25'39" W., 10 feet along the northerly line of said Lot 3; thence S. 00°26'46" W., 69.17 feet along the westerly line of said Lot 3; thence S. 06°56'46" W. to the northerly shoreline of the Fox River along the westerly line of said Lot 3; thence northwesterly along the northerly shoreline of the Fox River to the east line of Jackson Street; thence north along the east line of Jackson Street to the intersection with the southeasterly line of Division Street; thence northeasterly along the southeasterly line of Division Street to the southwesterly line of Pearl Avenue; thence southeasterly along the southwesterly line of Pearl Avenue to the westerly line of Commerce Street also being the point of beginning.

Area is estimated at 15.854 acres (690,621 square feet).

PUBLISHED: Aug 10 & 14, 2001

APPENDIX D – Attorney’s Letter

City of Oshkosh
City Attorney’s Office
215 Church Ave., PO Box 1130
Oshkosh, WI 54903-1130
(920) 230-6116



September 14, 2001

Mr. Jackson R. Kinney
Director of Community Development
City of Oshkosh
215 Church Avenue
Oshkosh, WI 54903-1130

Dear Mr. Kinney

I have reviewed the project plan for City of Oshkosh Tax Increment District # 17 – Center City Redevelopment, pursuant to Section 66.1105(4)(f) of Wisconsin Statutes. I find that the plan includes a statement listing the kind, number and location of proposed public improvements. It also shows an economic feasibility study, a detailed list of estimated project costs, and a description of the method of financing all estimated project costs and the time when the costs are to be incurred. The plan also has a map of existing uses of the real property in the district and map showing proposed improvements in the district and which also indicates the zoning of the district. The plan further shows how the district will promote the orderly development of the City.

Upon adoption by the Plan Commission of the project plan and their submission to the City Council, all requirements of Section 66.1105(4)(f), Wisconsin Statutes, shall be complete and it is, therefore, my opinion that the project plan attached hereto is complete and complies with Sec. 66.1105, Wis. Stats.

Sincerely,
CITY OF OSHKOSH

Warren P. Kraft
City Attorney

APPENDIX E

COMMON COUNCIL REPORT TO THE JOINT REVIEW BOARD

Section 66.46(4)(i), Wisconsin Statutes, requires the Common Council provide the Joint Review Board with certain information and projections. This Appendix will provide the required information either by reference to its location in the Project Plan, or by separate narrative. All projections and information presented in this report assume TID #15 will be in existence for the twenty-three years allowed by Statute.

1. Specific projects that may be undertaken in TID #15 and their estimated costs are listed in Tables 2 and 3 of the Project Plan.
2. The estimated amount of tax increments to be created over the life of TID #15 is shown on Table 4 of the Project Plan. The value increment (equalized value of all taxable property minus the tax incremental base) when project costs are paid in full is an estimated \$6.4 million.
3. Project costs in 1 above are associated with improvements associated with rehabilitating a portion of the Park Plaza structure to provide for Class A office space to be used by 4imprint for new corporate headquarters. TID funds will be used to help finance building improvements, financing, capitalization of interest, and for city administration of the proposed district. The project costs incurred by the TID are necessary for redevelopment of the area. If the property owner had to pay for all project costs, it is unlikely the project would proceed, the property would remain vacant, and a major employer would relocate from the city's central business district.
4. Creation of this TID is in conformity with the city's 1993 Comprehensive Plan and its related amendments and additions.
5. The share of projected tax increments to be paid by the overlying taxing jurisdiction for 2001 is estimated to be as follows: School District 37.01%, City 33.16%, County 21.17%, FVTC 7.81%, State .85%.
6. Benefits received by property owners in the overlying taxing jurisdictions to compensate them for their share of the projected tax increments are as follows: First, property that is in need of rehabilitation and currently vacant will be converted to Class A office corporate headquarters and assessed for such use. Second, if the TID is not created, 4imprint will relocate from the area possibly having a delirious effect on downtown property values and its business climate.

APPENDIX F

SEPTEMBER 25, 2001

01-399

RESOLUTION

(CARRIED 6-0 LOST _____ LAID OVER _____ WITHDRAWN _____)

PURPOSE: APPROVE TAX INCREMENTAL DISTRICT NO. 17 PROJECT PLAN; DESIGNATE TAX INCREMENTAL DISTRICT NO. 17 BOUNDARIES; CREATE TAX INCREMENTAL DISTRICT NO. 17

INITIATED BY: CITY ADMINISTRATION

PLAN COMMISSION RECOMMENDATION: Approved

WHEREAS, pursuant to Section 66.1105, Wis. Stats., the City of Oshkosh proposes to create Tax Incremental District No. 17 – City Center Redevelopment; and

WHEREAS, the City of Oshkosh Plan Commission has prepared and adopted a project plan for Tax Incremental District No. 17 – City Center Redevelopment which:

- 1) Includes a statement listing the kind, number and location of all proposed public works or improvements within such District.
- 2) Contains an economic feasibility study.
- 3) Contains a detailed list of estimated project costs.
- 4) Contains a description of the methods of financing all estimated project costs and the time when such costs or monetary obligations related thereto are to be incurred.
- 5) Includes a map showing existing uses and conditions of real property in such District.
- 6) Includes a map showing proposed improvements and uses therein.
- 7) Contains a list of estimated non-project costs.
- 8) Contains a statement of a proposed method for the relocation of any person to be displaced.
- 9) Indicates how the creation of TID No. 17 promotes the orderly development of the City.
- 10) Contains an opinion of the City Attorney that the Plan complies with Section 66.1105(4)(f), Wis. Stats.

and

WHEREAS, the Plan Commission has held a public hearing on the creation of TID No. 17 and the proposed boundaries thereof and has notified the Chief Executive Officers of all local government entities having the power to levy taxes on property within the District, including the School Board of any school district which includes property within the District pursuant to Section 66.1105, Wis. Stats.; and

WHEREAS, the City of Oshkosh Plan Commission affirms the following per the TID # 17 Project Plan:

- 1) More than 50% of the real property within the TID is blighted, in need of rehabilitation, or conservation within the meaning of Section 66.1333 (2m)(b) Wis. Stats.
- 2) Redevelopment within the TID will have a significant positive impact on the value of all real property in the District and assist in stabilizing property values of the City Center and the central business district.
- 3) Implementation of this Project Plan is consistent with the City's 1993 Comprehensive Plan and its associated amendments and additions.
- 4) Project costs associated with implementing this project plan are consistent with the purpose for which the District was created.
- 5) The equalized value of taxable property of the district plus all existing districts does not exceed 7% of the total equalized value of taxable property within the city.

NOW, THEREFORE, BE IT RESOLVED that the Common Council of the City of Oshkosh approves said Project Plan for Tax Incremental District No. 17 – City Center Redevelopment, pursuant to the provisions of Section 66.1105, Wis. Stats.

BE IT FURTHER RESOLVED that the Common Council of the City of Oshkosh hereby designates the boundaries of TID No. 17 as described in "Exhibit A".

BE IT FURTHER RESOLVED that the Common Council of the City of Oshkosh hereby approves creation of Tax Incremental Financing District No. 17 – City Center Redevelopment.

BE IT FURTHER RESOLVED that the improvements contemplated in TID No. 17 – City Center Redevelopment, are likely to significantly enhance the value of substantially all real property in TID No. 17.

BE IT FURTHER RESOLVED that the value of equalized, taxable property in TID No. 17, together with all other established Tax Incremental Districts, does not exceed 7% of the total equalized value of taxable property within the City of Oshkosh.

BE IT FURTHER RESOLVED that more than 50% of the real property within TID No. 17 is blighted and in need of rehabilitation or conservation within the meaning of Section 66.1333 (2m)(b), Wis. Stats.

BE IT FURTHER RESOLVED that the project costs are consistent with the purposes for which the Tax Incremental District is created with the primary objective being the redevelopment of a blighted area.

"EXHIBIT A"

PROPOSED TAX INCREMENTAL DISTRICT #17

Legal Description:

The proposed boundaries of Tax Increment District No. 17 are described as follows: A part of Fletcher's Subdivision of Block 6 and 50, and White Wright & Jenkins Subdivision, Leach's Map, Block 6, vacated Brown Street, vacated Market Street and vacated Marion Road all in the First Ward, City of Oshkosh, Winnebago County, Wisconsin described as follows:

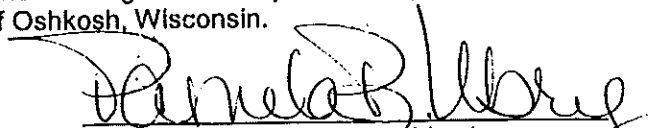
Commencing at the intersection of the southwesterly line of Pearl Avenue with the westerly line of Commerce Street, thence S. 00°24'46" W., 60.83 feet along the westerly line of Commerce Street; thence N. 89°35'00" W., 188.26 feet; thence S. 00°25'00" W., 301.47 feet; thence S. 89°35'00" E., 188.28 feet to the westerly line of Commerce Street; thence S. 00°24'46" W. along the westerly line of Commerce Street to the south line of Ceape Avenue also being a point on northerly line of Lot 3, Certified Survey Map No. 1197 of Winnebago County Records; thence 89°25'39" W., 10 feet along the northerly line of said Lot 3; thence S. 00°26'46" W., 69.17 feet along the westerly line of said Lot 3; thence S. 06°56'46" W. to the northerly shoreline of the Fox River along the westerly line of said Lot 3; thence northwesterly along the northerly shoreline of the Fox River to the east line of Jackson Street; thence north along the east line of Jackson Street to the intersection with the southeasterly line of Division Street; thence northeasterly along the southeasterly line of Division Street to the southwesterly line of Pearl Avenue; thence southeasterly along the southwesterly line of Pearl Avenue to the westerly line of Commerce Street also being the point of beginning.

Area is estimated at 15.854 acres (690,621 square feet).

STATE OF WISCONSIN)
COUNTY OF WINNEBAGO) SS
CITY OF OSHKOSH)

I, PAMELA R. UBRIG, City Clerk for the City of Oshkosh, Winnebago County, Wisconsin, do hereby certify that the foregoing resolution is a true and correct copy of the original on file in my office, adopted by the Common Council of the City of Oshkosh, Wisconsin at the meeting held on September 25, 2001. Witness my hand and the Corporation seal of the City of Oshkosh, Wisconsin.

DATED: October 1, 2001



City Clerk of the City of Oshkosh,
Winnebago County, Wisconsin

APPENDIX G - PLAN COMMISSION MINUTES OF 8/21/01

VII: PUBLIC HEARING ON PROPOSED CREATION OF TAX INCREMENTAL FINANCING DISTRICT # 17 CITY CENTER REDEVELOPMENT PROJECT: DESIGNATION OF BOUNDARIES AND APPROVAL OF PROJECT PLAN

Prior to taking action on Tax Incremental Financing District (TID) #17 and the designation of boundaries for said Tax Incremental Financing District, the Plan Commission is to hold a public hearing and take comments concerning the proposed creation of the TID. This public hearing is required as part of the formal process the city must follow in the creation of a TID.

The meeting was adjourned for a public hearing on the proposed creation of Tax Incremental Financing District #17 City Center Redevelopment project: Designation of Boundaries and Approval of Project Plan. Mr. Burich used the maps as displayed to point out the TID District and the proposed improvements.

Mrs. Bloechl questioned why the area was split into two (2) TID Districts. Mr. Burich explained TID #15 was due to a proposal to accommodate 4Imprint and there wasn't a proposal in place for the area proposed for TID #17. Mr. Burich also explained they could have expanded TID #16, however they would only have had a 3-year time frame to make the improvements, and creating another TID District would allow a 7-year time frame to finance the proposed improvements.

Jeff Pauley, managing partner, showed a fly-over video of the property with renderings of the improvements made to the site.

Mr. Koeppler, stated the site was purchased in January of 2001, and since that time has leased out 40% of the space. He stated it is a difficult site to develop, but one that will benefit both the owners and the community, therefore the 50/50 split on the increment the development will create. He stated the first phase of improvements will consist of the removal of the parking ramp near the Park Plaza International Hotel.

Chairman Borsuk questioned the tower and the condo's for residential use, and the number of housing units available. Jeff Pauley stated the project would be a multi-use development. He discussed the expansion of the retail area, the office space for large and small tenants, and the building itself having the capability to construct a tower to be used for senior housing, and condo's for a variety of age groups because of the amenities offered in each area.

Mr. Burich stated that the developer would make up any short falls in the 50% split. He also noted any cost expenditures would require development agreements to be approved by the Common Council.

Mrs. Bloechl questioned Mr. Pauley if an article in the Oshkosh Northwestern quoted him correctly as saying a new TIF Partnership for TIF funds to be spent privately on improvements to the building and publicly on improvements to the surrounding property etc....

Mr. Pauley stated the City would be making improvements to the promenade and bike paths, and the street side of Pearl and Jackson Streets with signage, and improvements to be made from a visual standpoint. Mr. Burich stated a partnership was needed to work with the owners to implement these improvements. Mr. Burich stated working together would ensure the redevelopment of the property. He explained the retail and residential use would bring up the property value.

Discussion continued on the redevelopment plans and the risks the owners have already taken in purchasing the mall.

Motion by Bloechl to close the Public Hearing portion of the meeting. Seconded by Reschenberg. Motion carried 7-0.

Motion by Pressley for approval of the boundaries of TID #17 and the TID #17 Project Plan, and recommend approval of the TID boundaries and Project Plan by the Common Council. Seconded by Reschenberg.

Mr. Bettes stated the City needs developers with a vision. He stated this is a key property in Oshkosh and supports use of the property.

Mr. Reschenberg stated he agreed with Mr. Bettes.

Chairman Borsuk stated that he felt the TIF agreed with the comprehensive plan, and he approved of the streetscaping and the bike trail, however, he did not approve of residential uses in the TIF that takes funds away from the schools, therefore he will not support it.

Motion carried. 5-1-1. Nay: Borsuk, Bloechl voting present.

APPENDIX H – COMMON COUNCIL MINUTES OF 9/25/01

Resolution 01-399 Approve Tax Incremental District No. 17 Project Plan/Designate Tax Increment District No. 17 Boundaries/Create Tax Incremental District No. 17

MOTION: ADOPT (Bloechl; second, Esslinger)
CARRIED: Ayes (6) Mattox, Castle, Harris, Esslinger, Bloechl, Dell'Antonia

Council Member Bloechl questioned if the Council would have the ability to give their input on each part of the project.

Council Member Esslinger questioned if the city would be collecting tax money on the face value of the property.

Council Member Harris explained why it was important to capture the lower base value.

Council Member Mattox questioned whether the TIF could be resolved earlier than planned.

Mr. Kinney, Director of Community Development, responded.

